

1 ROB BONTA  
Attorney General of California  
2 THOMAS S. PATTERSON  
Senior Assistant Attorney General  
3 LARA HADDAD  
Supervising Deputy Attorney General  
4 SHIWON CHOE (SB 320041)  
CAROLYN F. DOWNS (SB 353455)  
5 ZELDA VASSAR (SB 313789)  
Deputy Attorneys General  
6 455 Golden Gate Avenue, Suite 11000  
San Francisco, CA 94102-7004  
7 Telephone: (415) 510-4400  
Fax: (415) 703-5480  
8 E-mail: Zelda.Vassar@doj.ca.gov  
*Attorneys for Plaintiffs State of California and Gavin  
9 Newsom, in his official capacity as Governor of California*

10  
11 IN THE UNITED STATES DISTRICT COURT  
12 FOR THE NORTHERN DISTRICT OF CALIFORNIA

13  
14 STATE OF CALIFORNIA and GAVIN  
15 NEWSOM, in his official capacity as Governor  
of California,

16 Plaintiffs,

17 v.

18 DONALD J. TRUMP, in his official capacity  
19 as President of the United States; KRISTI  
NOEM, in her official capacity as Secretary of  
20 Homeland Security; DEPARTMENT OF  
HOMELAND SECURITY; PETE R.  
21 FLORES, in his official capacity as Acting  
Commissioner for U.S. Customs and Border  
22 Protection; and U.S. CUSTOMS AND  
BORDER PROTECTION,

23  
24 Defendants

Case No.: 3:25-cv-03372-JSC

**EXPERT REPORT AND  
DECLARATION OF ERICA YORK**

**EXPERT REPORT AND DECLARATION OF ERICA YORK**

I, Erica York, declare under penalty of perjury that the following is true and correct:

1. I have been asked to provide an expert opinion on the economic impact of the challenged tariffs on the United States economy, with a focus on the impact to California.

2. This declaration is based on my own personal knowledge and experience, and if I am called to testify as a witness, I could and would testify competently to the truth of the matters discussed in this declaration.

**BACKGROUND AND QUALIFICATIONS**

3. I currently serve as the Vice President of Federal Tax Policy at the Tax Foundation. I have been employed at the Tax Foundation since November 2017 and have served in multiple roles, including analyst, economist, senior economist, and research and project manager. Since 2020, I have taught business, microeconomics, and business finance as an adjunct professor at Sterling College. I have a Master's of Arts in Economic Analysis from Wichita State University and a Bachelor's of Science in Business Administration and Economics from Sterling College. A true and correct copy of my curriculum vitae is attached as **Exhibit 1** to this declaration.

4. In my role as Vice President of Federal Tax Policy for the Tax Foundation, I manage and lead a team of nine economists, analysts, and software developers to execute the Tax Foundation's strategy for federal tax policy modeling, research, publication, and external communication. I also author white papers and blog posts on quantitative and qualitative impacts of federal tax and tariff policy changes.

5. Tax Foundation is a nonpartisan tax policy 501(c)(3) nonprofit based in Washington, D.C. Established in 1937, Tax Foundation's mission is to improve lives through tax policies that lead to greater economic growth and opportunity. Tax Foundation publishes data, research, modeling, and educational materials on tax policy at all levels of government to advance the principles of sound tax policy: simplicity, neutrality, transparency, and stability.

6. My opinions are based on more than seven years of experience in modeling the impact of federal tax policy changes and analyzing federal tax proposals on federal revenues and the macroeconomy.

7. I have given numerous presentations and have provided testimony on federal tax policy, including at the Kansas Chamber of Commerce, Tax Policy Center, Tax Council and Policy Institute, and American Trucking Association. I have also testified on the topic of tax policy modernization before the Kansas Senate Committee on Assessment and Taxation and the Kansas House Committee on Taxation and on the topic of U.S. tariffs before the U.S. Congress Joint Economic Committee.

8. I have written several articles on the impact of the effects of tariffs on the United States macroeconomy, as well as on tax reforms and the impact of those reforms. Since 2018, I have been tracking the United States' tariff policies and publishing on their economic impact.

### **RETENTION AND COMPENSATION**

9. I am being compensated for services performed in the above-entitled case at an hourly rate of \$300. I am receiving no other compensation for these services. My compensation is not contingent on the results of my analysis or the substance of any testimony.

### **BASIS FOR OPINIONS AND MATERIALS CONSIDERED**

10. Counsel for Plaintiffs provided me with a copy of the operative complaint, Defendants' Motion to Transfer, Plaintiffs' Opposition to Defendants' Motion to Transfer, and Defendants' Reply in Support of Motion to Transfer in this matter. Counsel for Plaintiffs also provided me with certain procurement data from the California Department of Public Health.

11. Otherwise, my report is based on my own independent research and analysis, as well as detailed review of others' relevant research, reports, data, and analyses. The opinions contained herein are made pursuant to a reasonable degree of professional certainty.

### **OPINIONS**

#### **I. INTRODUCTION<sup>1</sup>**

12. Tariffs are a type of excise tax imposed by governments, generally applied to imported goods. Tariffs may be assessed as a percentage of the value of an imported item, a fixed

<sup>1</sup> All information and analysis in this declaration is current as of May 11, 2025. On May 12, the President announced a 90-day temporary reduction in tariffs on Chinese imports from 145 percent to 30 percent (reducing the 125 percent tariff on Chinese imports announced April 2 to 10 percent, and keeping in place the broad 20 percent tariff on Chinese imports announced February

(continued...)

dollar amount per imported item, or a combination of both. The legal incidence of tariffs falls on the importer of record, meaning the person or business importing the good is required to submit payment to the government when the good enters the United States.

13. As tariffs fall on the importer of record, tariffs are not paid by foreign governments; if the importer is a U.S. person or company, that U.S. person or company would be the one who has to pay the tariff.

14. While tariffs raise revenue for the imposing country, the revenue raised will be substantially less than what is implied by a simple analysis of multiplying the stated tariff rate by the affected imports, due to behavioral and economic responses.<sup>2</sup>

15. Tariffs may be imposed to achieve varying objectives, including raising tax revenue, protecting domestic industries from import competition, or in response to practices of foreign governments perceived unfair. In modern, advanced economies, tariffs are not usually imposed for revenue generating purposes, but instead for protection of discrete industries from import competition or in response to other nations' actions.

16. Tariffs, like other types of taxes, affect economic decision-making by changing relative prices. Tariffs increase the price of imported goods compared to domestically produced goods, making untaxed domestic goods more attractive than taxed foreign goods. While the legal burden of tariffs falls on the importer of record, the economic burden can fall on a combination of people in the economy, including foreign exporters, domestic businesses and workers, and domestic consumers.

---

4 and increased March 4). The announcement will increase the amount of revenue directly raised by the tariffs, as a tariff of 125 percent would be prohibitive for many imports but a tariff of 10 percent would still allow imports to flow. Although the temporary pause will defer some of the more drastic harms from cutting off most trade with China, it leaves a significantly higher tariff burden in place. The tariffs imposed with purported authority under the International Emergency Economic Powers Act (IEEPA) of 10 percent on most countries, 30 percent on China, and 25 percent on most non-United States-Mexico-Canada-Agreement imports from Canada and Mexico will more than triple the average tariff rate on all imports in 2025, and result in the highest average tariff rate on all imports since 1946.

<sup>2</sup> Erica York & Alex Durante, *How Much Revenue Can Tariffs Really Raise for the Federal Government?*, Tax Found. (Apr. 10, 2025), <https://taxfoundation.org/research/all/federal/universal-tariff-revenue-estimates/> [hereinafter *How Much Revenue?*].

1           17. Foreign exporters could decide to bear the economic burden of a tariff if they lowered  
 2 their prices in response. But while the U.S. is the world's largest economy, the majority of the  
 3 world's consumers and purchasing power is outside the United States.<sup>3</sup> For this reason, foreign  
 4 firms are unlikely to absorb the entire burden of tariffs because they have alternate markets in  
 5 which to sell their goods. Recent experience of tariffs suggests that most of the burden of U.S.  
 6 imposed tariffs in 2018 and 2019 was passed through to U.S. prices, meaning foreign exporters  
 7 did not lower their prices<sup>4</sup> and the financial burden of the tariffs fell on the American purchaser.

8           18. If foreign exporters do not lower their prices, the tariff passes through to the U.S.  
 9 economy in two ways: first, through the tariff (i.e., tax) itself, which importers pay to the federal  
 10 government, and second, through higher prices paid to sellers of substitute goods.<sup>5</sup> The burden of  
 11 higher tariffs and higher prices will be felt throughout the domestic economy as businesses  
 12 respond to these higher taxes. One channel of the effect is that businesses may accept the higher  
 13 costs and lower after-tax revenues, reducing wages for workers and incomes for business owners.  
 14 Another possible channel is that businesses raise their prices, avoiding lower after-tax revenues  
 15 themselves and transferring it to other sectors of the economy as consumers have less money to  
 16 spend elsewhere after paying higher prices for tariffed goods.

17           19. Tariffs, like other types of taxes, reduce total economic output and income. Tariffs  
 18 can function like a consumption tax when they apply to consumer goods and like a tax on capital  
 19 investment when they apply to capital goods (goods used by businesses, such as tools or  
 20 machinery, used to make final consumer products) or inputs to producing capital goods  
 21 (intermediate inputs or raw material, such as steel, aluminum, or lumber). When tariffs function  
 22 as a consumption tax, they introduce a wedge between the price a consumer pays for a good and  
 23 the price a producer receives after taxes.<sup>6</sup> That wedge reduces incomes for workers and business  
 24 owners, reducing incentives for work and investment by reducing the returns to both. In

25 <sup>3</sup> *Export Products*, U.S. Small Bus. Admin., [https://www.sba.gov/business-guide/grow-your-](https://www.sba.gov/business-guide/grow-your-business/export-products)  
 26 [business/export-products](https://www.sba.gov/business-guide/grow-your-business/export-products) (last updated Apr. 28, 2025).

27 <sup>4</sup> Mary Amiti et al., *The Impact of the 2018 Tariffs on Prices and Welfare*, 33 J. of Econ. Persp. 187, 207 (Fall 2019), <https://pubs.aeaweb.org/doi/pdfplus/10.1257/jep.33.4.187>.

28 <sup>5</sup> Erica York, *Separating Tariff Facts from Tariff Fictions*, Cato Inst. (Apr. 16, 2024), <https://www.cato.org/publications/separating-tariff-facts-tariff-fictions#who-actually-pays-tariffs>.

<sup>6</sup> *How Much Revenue?*, *supra* note 2.

1 response, people work fewer hours, and businesses reduce investment, resulting in lower  
 2 economic output and incomes. When tariffs function as a tax on capital investment, they increase  
 3 the relative price of capital goods and directly discourage investment by making it more costly.<sup>7</sup>  
 4 The reduction in investment reduces the size of the capital stock, which lowers worker  
 5 productivity and wages, resulting in lower economic output and incomes.

6 20. Tariffs have economic costs above the simple analysis of tax wedges, because they  
 7 reduce economic efficiency and productivity in the economy. The behavioral responses to tariffs  
 8 lead to an inefficient allocation of resources. As economic activity shifts toward protected  
 9 industries, that shift represents a reallocation from where that activity—whether work or  
 10 investment—was previously deployed. For example, the United States is the largest exporter in  
 11 the world of aircraft and the largest importer of textiles.<sup>8</sup> Higher tariffs on imports would  
 12 incentivize manufacturing activity to move away from aircraft and toward textile production, so  
 13 the U.S. would produce fewer airplanes for export and more t-shirts for domestic consumption.

14 21. The behavioral response to higher tariffs includes some reduction in imported goods  
 15 and some substitution toward domestically produced goods, but this response does not imply an  
 16 increase in U.S. production.<sup>9</sup> Nor does it imply an improvement in the balance of trade, one of  
 17 the stated objectives of the April 2 tariffs.<sup>10</sup> In economics, the phenomenon is known as the  
 18 Lerner Symmetry Theorem, which explains how a tax on imports is effectively like a tax on  
 19 exports.<sup>11</sup> When imports fall, fewer dollars are exchanged to purchase foreign goods  
 20 denominated in foreign currencies. This leads the global supply of the dollar to fall, which

21 <sup>7</sup> David Baquee & Hannes Malmberg, *Long-Run Effects of Trade Wars* 4–5 (Nat'l Bureau of  
 22 Econ. Analysis, Working Paper No. 33702, Apr. 2025), <https://www.nber.org/papers/w33702>.

23 <sup>8</sup> Erica York, *Time (or Buying American) Won't Erase the Economic Harm of Higher Tariffs*, Tax  
 24 Found. (Mar. 18, 2025), <https://taxfoundation.org/blog/trump-tariffs-prices-long-term-effects/>.  
 25 See also *Leading Countries With the Highest Aerospace Exports in 2023*, Statista (Oct. 23,  
 26 2024), <https://www.statista.com/statistics/263290/aerospace-industry-revenue-breakdown/> (the  
 27 United States contributed nearly \$124.9 billion in aerospace exports in 2023, more than any other  
 28 country).

<sup>9</sup> Kyle Pomerleau & Erica York, *Understanding the Effects of Tariffs* 10, Am. Enter. Inst. (Apr.  
 23, 2025), [https://www.aei.org/wp-content/uploads/2025/04/Understanding-the-Effects-of-  
 Tariffs.pdf?x85095](https://www.aei.org/wp-content/uploads/2025/04/Understanding-the-Effects-of-Tariffs.pdf?x85095).

<sup>10</sup> Joseph E. Gagnon, *Why Higher Tariffs Won't Shrink the Trade Deficit*, Peterson Inst. for Int'l  
 Econ. (Feb. 24, 2025), [https://www.piie.com/blogs/realtime-economics/2025/why-higher-tariffs-  
 wont-shrink-trade-deficit](https://www.piie.com/blogs/realtime-economics/2025/why-higher-tariffs-wont-shrink-trade-deficit).

<sup>11</sup> Douglas A. Irwin, *Three Simple Principles of Trade Policy* 2 (1996).

1 increases the value of the dollar—a one-time currency appreciation effect. A stronger dollar  
 2 makes U.S. exports more expensive on the world market, leading to losses of sales, income, and  
 3 production in the export sector. It is by this currency effect that a drop in imports in response to  
 4 tariffs leads to an offsetting drop in U.S. exports.

5 22. The currency effect also means that tariffs reduce the overall level of trade, rather  
 6 than altering its balance.<sup>12</sup> The trade balance of any country is driven by net lending and  
 7 borrowing with the rest of the world, and not by trade policy itself. In the United States, year  
 8 after year, domestic investment outpaces domestic saving and domestic spending exceeds  
 9 domestic income, requiring a capital inflow from the rest of the world to close the gap.<sup>13</sup> The  
 10 capital inflow represents net lending to the United States from the rest of the world to finance  
 11 business investment, as well as the government's budget deficit and a trade deficit. Rather than  
 12 reflecting trade policy decisions, the trade deficit reflects broader macroeconomic balances  
 13 between saving and investment. Because tariffs do not directly change the balance between  
 14 national saving and investment, tariffs cannot permanently change the trade balance.<sup>14</sup> The last  
 15 time the United States ran a trade surplus was in 1975; every year since, the United States has run  
 16 a trade deficit.<sup>15</sup> That the United States has consistently run trade deficits for decades is not an  
 17 imminent economic problem. Net imports, another term for a trade deficit, can reflect the  
 18 strength of the U.S. economy in attracting foreign investment and in serving as a safe, reliable  
 19 haven for foreign capital. When net imports finance the capital stock, it allows the U.S. to enjoy  
 20 a higher level of productivity and growth than otherwise would occur.

21 <sup>12</sup> *How Much Revenue?*, *supra* note 2.

22 <sup>13</sup> Erica York, *Debunking Myths about the Trade Deficit*, Tax Found. (Sept. 6, 2023), [https://  
 23 /taxfoundation.org/blog/trade-deficit-myths/](https://taxfoundation.org/blog/trade-deficit-myths/).

24 <sup>14</sup> If tariffs increase federal government tax revenue and those revenues are used to reduce the  
 25 federal government budget deficit, it will increase national saving by reducing federal  
 26 government borrowing, which could reduce the trade deficit. This, however, is not unique to  
 27 tariffs, and can be accomplished through any type of tax increase or spending reduction that  
 28 reduces federal government borrowing. The combination of policies the Trump Administration  
 has proposed, higher tariffs and lower taxes, including lower taxes that would increase capital  
 investment, would have a net effect of increasing the budget deficit, thereby increasing the trade  
 deficit.

<sup>15</sup> See Table I.1.5. *Gross Domestic Product*, U.S. Bureau of Econ. Analysis,  
<https://tinyurl.com/2s3ef72s> (last updated Apr. 30, 2025) (historical gross domestic product data  
 beginning in 1970).



23. Empirical evidence confirms that tariffs, on net, reduce production, income, and efficiency and have little effect on the balance of trade. A study by economists at the International Monetary Fund examined 151 countries from 1963 through 2014 and found that tariff increases lead to economically and statistically significant declines in domestic output and productivity and increases in unemployment and inequality, while leading to only insignificant changes in trade balances.<sup>16</sup>

24. More recent evidence reviewing the experience of the United States after higher tariffs were imposed in 2018 and 2019 suggests tariffs have net negative effects on production and income.<sup>17</sup> Empirical evidence also suggests tariffs have historically only had a small role in effecting bilateral trade balances, with macroeconomic forces driving more of the observed changes in trade balances, just as they drive the overall balance of trade, according to a study of 63 countries over 20 years and across 34 sectors.<sup>18</sup>

## II. METHODOLOGY AND CONTEXT

25. Economists use models to estimate the impact of policy changes on variables like output, incomes, labor supply, capital investment, and wages. No model is a perfect representation of the real world, but each model captures important relationships that have empirical support to illustrate how changes in certain variables can be expected to change certain outcomes.

26. The Tax Foundation uses a traditional, neoclassical macroeconomic model to produce its estimates.<sup>19</sup> The model has three main components. The first is a tax simulator, which reflects U.S. tax law and a subsample of 150,000 tax returns. It also utilizes economic and revenue data

<sup>16</sup> Davide Furceri et al., *The Macroeconomy After Tariffs*, 36 World Bank Econ. Rev. 361, 363 (2022), <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099956212082331009>.

<sup>17</sup> Pablo Fajgelbaum & Amit Khandelwal, *The Economic Impacts of the U.S.-China Trade War* 18 (Nat'l Bureau of Econ. Rsch., Working Paper No. 29315, Dec. 2021), [https://www.nber.org/system/files/working\\_papers/w29315/w29315.pdf](https://www.nber.org/system/files/working_papers/w29315/w29315.pdf). The 2018 and 2019 tariffs affected approximately \$380 billion of U.S. imports, equivalent to 1.8 percent of U.S. gross domestic product (GDP) and about 15 percent of total U.S. goods imports in 2018.

<sup>18</sup> Johannes Eugster et al., *Economic Forces, Not Tariffs, Drive Changes in Trade Balances*, Int'l Monetary Fund (Apr. 3, 2019), <https://www.imf.org/en/Blogs/Articles/2019/04/03/blog-weo-ch4-economic-forces-not-tariffs-drive-changes-in-trade-balances>.

<sup>19</sup> Huaqun Li et al., *Overview of the Tax Foundation's General Equilibrium Model*, Tax Found. (Mar. 5, 2025), <https://taxfoundation.org/research/all/federal/general-equilibrium-model/>.



from the Congressional Budget Office and Bureau of Economic Analysis. It produces conventional revenue and distributional estimates, as well as estimates of marginal tax rates on different sources of personal and business income. The second component is a neoclassical production function, which estimates long-run changes in the level of output based on changes in the capital stock and labor force in response to policy. The last component is an allocation model, which takes outputs from the tax and production models and combines them with aggregate accounting identities and saving responses to forecast the different components of gross domestic product (GDP), the balance between saving and investment, the international account, wealth, and gross national product (GNP).

27. The model treats tariffs like an excise tax on final consumption and estimates how labor supply, capital investment, economic output, and federal government tax revenues change in response to the tax wedge introduced by tariff changes. Because the model only captures the consumption tax effect of tariffs, and not the capital tax effect, it produces lower-bound estimates of the economic harm of tariffs (i.e., the actual economic effect of the tariffs is more likely to be greater than the model's estimates, rather than less than the estimates). The model's approach to estimating the economic effects of tariffs has been cited by the United States Congressional Budget Office.<sup>20</sup>

### **III. BACKGROUND OF PRESIDENT TRUMP'S ACTIONS TO IMPOSE TARIFFS UNDER IEEPA**

28. Since taking office, President Trump has imposed a series of tariffs under the International Emergency Economic Powers Act (IEEPA) that now affect up to 60 percent of U.S. goods imports.

<sup>20</sup> Letter from Phillip L. Swagel on the Effects of Policies that Would Increase Tariffs, to Hon. Chuck Schumer, Hon. Sheldon Whitehouse, and Hon. Ron Wyden 5 (Dec. 18, 2024), <https://www.cbo.gov/system/files/2024-12/61112-Tariffs.pdf> [hereinafter CBO Tariffs Letter].

1                   **1. China, Mexico, and Canada tariffs**

2                   29. On February 1, 2025, President Trump signed three executive orders to impose 25  
3 percent tariffs on Canada and Mexico and 10 percent tariffs on China in response to concerns  
4 over the border and fentanyl. These tariffs were due to go into effect on February 4.<sup>21</sup>

5                   30. On February 4, the ten percent tariff on all imports from China went into effect.  
6 However, the President paused the 25 percent tariffs on Canada and Mexico for thirty days.

7                   31. On February 27, the President stated that the 10 percent tariffs on China would  
8 increase by another 10 percent beginning March 4.

9                   32. On March 4, the tariffs on China were increased another 10 percent, resulting in a 20  
10 percent tariff on Chinese imports. The thirty-day suspension of tariffs on Canada and Mexico  
11 expired and the 25 percent tariffs on both Canada and Mexico went into effect. A day later, the  
12 President exempted auto imports from the tariffs until April 2.

13                  33. On March 6, the President exempted imports covered by the United States Mexico  
14 Canada Agreement (USMCA)—approximately 38 percent of imports from Canada and  
15 approximately 49 percent of imports from Mexico based on 2024 import values—until April 2,  
16 and also lowered tariffs on non-USMCA potash (a fertilizer used in farming) to 10 percent.

17                  34. On April 2, the exemptions for imports covered by USCMA were extended  
18 indefinitely.

19                   **2. Universal and so-called reciprocal tariffs, including retaliatory tariffs**  
20                   **on China**

21                  35. President Trump signed a presidential memorandum on February 13 to develop a plan  
22 for increasing U.S. tariffs in response to other countries' tariffs, tariff policies, and other policies,  
23 including exchange rates and unfair practices. The recommendations were due April 1, and an  
24 executive order related to the trade deficit was signed on April 2 to impose the tariffs.

25  
26  
27 <sup>21</sup> For the timeline on the President's actions on tariffs, see Erica York & Alex Durante, *Trump*  
28 *Tariffs: The Economic Impact of the Trump Trade War*, Tax Found. (May 5, 2025),  
<https://taxfoundation.org/research/all/federal/trump-tariffs-trade-war/> [hereinafter York &  
Durante, *Trump Tariffs*].

36. These so-called reciprocal tariffs apply to imports from nearly every U.S. trading partner, but do not include goods that face product-specific tariffs like steel, aluminum, autos, and auto parts.<sup>22</sup> They also exclude a specific list of energy-related goods and electronics.

37. On April 2, the President announced that the so-called reciprocal tariff policy would involve a universal tariff of 10 percent on all U.S. trading partners (excluding Canada and Mexico as long as they are subject to the IEEPA border security and fentanyl tariffs) and higher rates, reaching as much as 50 percent, for more than 50 specific trading partners, including 34 percent on China, 20 percent on the EU, and 24 percent Japan. The first 10 percent tariff took effect on April 5, and the higher rates were scheduled to take effect April 9.

38. In response to China's April 4 retaliation of 34 percent tariffs on all U.S. exports, on April 7, President Trump indicated another 50 percent tariff would apply to China beginning April 9. This increased the total rate to 84 percent under the "reciprocal" tariffs, leading to a combined rate of 104 percent when accounting for the IEEPA border security and fentanyl tariffs.

39. On April 9, President Trump announced a 90-day pause on the reciprocal tariffs for all countries except China. The same day, China retaliated by lifting its tariffs to 84 percent, matching the so-called reciprocal rate imposed by the U.S. President Trump immediately responded by increasing the so-called reciprocal rate to 125 percent.

40. On April 10, the White House clarified that the 125 percent tariff on China would apply in addition to the 20 percent IEEPA border security and fentanyl tariff on China, raising the rate on most imports from China to 145 percent.

---

<sup>22</sup> The formula to determine the so-called reciprocal tariff rates has nothing to do with mirroring tariffs applied by foreign governments on U.S. exports, nor matching any other type of foreign trade barrier. The White House formula does not measure foreign tariff rates, currency practices, discriminatory taxes, or non-tariff barriers to trade. Instead, the formula applies the greater of a 10 percent tariff or the result of dividing the U.S. 2024 trade deficit in goods with a given country by the total quantity of U.S. imports from that country. The tariffs calculated by the U.S. are invented out of a formula based on trade aggregates, not on any implicit or explicit measure of actual foreign policies. See Kevin Corinth & Stan Veuger, *President Trump's Tariff Formula Makes No Economic Sense. It's Also Based on an Error*, Am. Enter. Inst. (Apr. 4, 2025), <https://www.aei.org/economics/president-trumps-tariff-formula-makes-no-economic-sense-its-also-based-on-an-error/>; Alan Cole, *Trump's Reciprocal Tariff Calculations Are Nonsense, Will Punish Mutually Beneficial Trade*, Tax Found. (Apr. 3, 2025), <https://taxfoundation.org/blog/trump-reciprocal-tariffs-calculations/>.

41. On April 11, the Trump Administration announced certain electronics would be exempt from the “reciprocal” tariffs and China lifted its retaliatory tariffs to 125 percent.

42. A timeline summarizing these actions, current as of May 1 is below.

### Timeline of IEEPA Tariffs

Target and Applicable Rate	Dates	Imports Affected
IEEPA “Fentanyl” Canada: 25% non-energy; 10% energy and potash; to be replaced with “reciprocal” 12% tariff on non-USMCA imports excluding energy and potash later	Announced Feb 1; scheduled Feb 4 but delayed 30 days; effective Mar 4; 30 day exemptions granted Mar 5 & 6; exemptions extended indefinitely	Up to \$253 billion while exemptions are in effect
IEEPA “Fentanyl” Mexico: 25%; to be replaced with “reciprocal” 12% tariff excluding USMCA imports later	Announced Feb 1; scheduled Feb 4 but delayed 30 days; effective Mar 4; 30 day exemptions granted Mar 5 & 6; exemptions extended indefinitely	Up to \$236 billion while exemptions are in effect
IEEPA “Fentanyl” China: 10% initially; increased to 20%	Announced Feb 1; effective Feb 4; increased Mar 4	\$430 billion
IEEPA “Reciprocal” Most Trading Partners: 10% baseline; higher rates for 60 jurisdictions reaching up to 125 percent	Announced Feb 13; recommendations due April 1; EO signed April 2; First 10% effective April 5 and country specific increases scheduled for April 9; Additional 50% threatened for Chinese imports on April 7; Country-specific increases delayed 90-days on April 9 except for China; Rate on China increased to 125% on April 9.	\$1.3 trillion, excluding autos, auto parts, steel, aluminum, energy, electronics, Canada, and Mexico

Source: Tax Foundation research.



### 3. Retaliatory tariffs from other countries in response

43. Major U.S. trade partners have imposed or announced retaliatory tariffs.<sup>23</sup> In response to IEEPA “fentanyl” tariffs, China imposed tariffs of 10 and 15 percent on \$13.9 billion of U.S. exports (including agricultural equipment and oil) effective on February 10 and on \$19.5 billion of U.S. exports (including agricultural products) effective on March 10. Canada imposed 25 percent tariffs on \$20.8 billion of U.S. exports effective on March 4 and has prepared additional countermeasures on an additional \$86.7 billion of U.S. exports.

44. In response to IEEPA “reciprocal” tariffs, China imposed 34 percent tariffs on all \$144 billion of U.S. exports announced on April 4; on April 9, China increased its retaliation to 84 percent on all U.S. exports; and on April 11, China increased its retaliation to 125 percent on

<sup>23</sup> York & Durante, *Trump Tariffs*, *supra* note 21.

all U.S. exports. On May 6, the European Commission announced it was considering tariffs on more than \$100 billion of U.S. exports if negotiations over the IEEPA “reciprocal” tariffs fail.<sup>24</sup>

#### IV. IMPACT OF TARIFFS ON THE UNITED STATES ECONOMY

##### A. Uncertainty over tariff purpose and duration will reduce investment

45. Because of the on-again, off-again nature of the tariffs and the uncertainty over their purpose and duration (e.g., are the tariffs meant to be permanent to raise revenue? are they meant to be temporary to leverage and negotiate deals? etc.), trade policy uncertainty has risen to its highest level ever recorded. Trade policy uncertainty is measured based on newspaper articles that mention uncertainty; an index reading of 100 indicates 1 percent of newspaper articles mention trade policy uncertainty. The average monthly readings of the index from 2000 through 2015 was 28.69, but by early May 2025, the index had reached a reading above 1,100, dwarfing previously unprecedented highs in the upper-200s reached during the 2018-2019 trade war.<sup>25</sup> Uncertainty itself has a chilling effect on the economy, as businesses and people pause decision-making, or cancel and lose out on opportunities altogether: in 2018 alone, uncertainty may have lowered aggregate U.S. investment by more than 1 percent.<sup>26</sup>

##### B. Tariffs will increase prices and reduce availability of goods

46. The most obvious effect tariffs will have on the U.S. economy is to cause higher prices and less availability of goods. For example, after the United States imposed higher tariffs on steel, aluminum, and Chinese goods in 2018 and 2019, U.S. import prices of affected goods rose by nearly the full amount of the tariff.<sup>27</sup> This means that U.S. importers of the affected goods bore nearly the full brunt of the tariff. Recent experience is likely to be the same, meaning importers will immediately face significantly higher costs for affected goods. Some firms may

<sup>24</sup> Camille Gijs & Koen Verhelst, *Brussels Eyes Hitting €100B of U.S. Goods with Tariffs*, Politico EU (May 6, 2025), <https://www.politico.eu/article/brussels-eyes-hitting-about-e100b-of-us-goods/>.

<sup>25</sup> *Trade Policy Uncertainty (TPU) Index*, Econ. Pol’y Uncertainty, <https://www.matteoiacoviello.com/tpu.htm> (last updated May 5, 2025).

<sup>26</sup> Dario Caldara et al., *The Economic Effects of Trade Policy Uncertainty*, Bd. of Governors of the Fed. Rsrv. 13 (Int’l Fin. Discussion Papers No. 1256, Sept. 2019), <https://www.federalreserve.gov/econres/ifdp/files/ifdp1256.pdf>.

<sup>27</sup> *Economic Impact of Section 232 and 301 Tariffs on U.S. Industries* 138, U.S. Int’l Trade Comm’n (Mar. 2023), <https://www.usitc.gov/publications/332/pub5405.pdf>.

1 have been able to increase purchases ahead of the tariffs and rely on inventory for a period,  
 2 delaying the obvious price and quantity effects of tariffs. As inventories dwindle and the tariffs  
 3 remain in place, higher prices and reduced availability of goods will cascade across the economy.  
 4 For certain goods and certain businesses, including small- and medium-enterprises and liquidity  
 5 constrained firms, higher tariffs may mean stopping shipments of certain goods altogether.<sup>28</sup>  
 6 Initial data suggests after the imposition of the additional 125 percent tariff on imports from  
 7 China, container bookings from China dropped 60 percent, a preview of the shortages that may  
 8 follow.<sup>29</sup>

9 47. In everyday language, people use the word “inflation” synonymously with price  
 10 increases. While tariffs are very likely to increase the prices of the taxed goods, the overall price  
 11 level (i.e., inflation) is ultimately set by the Federal Reserve’s actions.<sup>30</sup> The Federal Reserve  
 12 may act to increase the price level in response to a large, sudden increase in tariffs, but whether it  
 13 does so, the real burden on households is largely the same. The tax wedge imposed by taxes like  
 14 tariffs directly reduces the income available to compensate workers, which creates pressure for  
 15 firms to reduce their employment costs.<sup>31</sup> Because workers generally do not accept pay cuts,  
 16 firms respond with layoffs, increasing unemployment. However, unemployment violates the  
 17 Federal Reserve’s mandate of maximum employment. In the face of a large enough tariff  
 18 disruption, the Federal Reserve may be prompted to loosen monetary policy and raise the price  
 19 level; this substitutes inflation (a one-time increase in the price level) for the unemployment that  
 20 would otherwise occur. Firms can hold their workers’ pay constant, but inflation reduces the real  
 21 value of that pay. Whether the Federal Reserve takes action to accommodate tariffs, tariffs will

22  
 23  
 24 <sup>28</sup> Sean Conlon, *Trump’s Triple-Digit Tariff Essentially Cuts Off Most Trade with China, Says Economist*, CNBC (Apr. 10 2025), <https://www.cnbc.com/2025/04/10/trumps-triple-digit-tariff-essentially-cuts-off-most-trade-with-china-says-economist.html>.

25 <sup>29</sup> Paul Wiseman et al., *Shipments from China Fall As Trump’s Tariffs Loom Over Economy*, PBS (Apr. 30, 2025), <https://www.pbs.org/newshour/nation/shipments-from-china-fall-as-trumps-tariffs-loom-over-economy>.

26 <sup>30</sup> Pomerleau & York, *Understanding the Effects of Tariffs*, *supra* note 9, at 7.

27 <sup>31</sup> Alan D. Viard, *Tax Increases and the Price Level*, 142 Tax Notes 115, 116 (Jan. 6, 2014);  
 28 Julie-Anne Cronin, *U.S. Treasury Distributional Analysis Methodology* (Dept. of Treasury, Technical Paper 8, May 2022), <https://home.treasury.gov/system/files/131/TP-8.pdf>.



burden Americans by lowering real, after-tax income either through a reduction in nominal incomes or an increase in the overall price level.

### C. Tariffs will not fundamentally alter the balance of trade

48. One of the justifications for imposing tariffs was to improve the U.S. trade balance.<sup>32</sup> However, because tariffs effectively act as a tax on imports and exports, they will not fundamentally change the United States's overall trade deficit. Both the currency effect and foreign retaliation mean that a tax on imports effectively acts like a tax on exports.<sup>33</sup> For both these reasons, tariffs in 2018 and 2019 did not fundamentally alter the U.S. trade balance, and nor should we expect additional tariffs to do so.<sup>34</sup> Additional evidence shows that increased openness to trade through the adoption of Free Trade Agreements (FTAs) in the United States and 37 other countries has no lasting effect on the size of a country's trade balance.<sup>35</sup> Even if one granted that the persistence of U.S. trade deficits since 1976 were a problem, tariffs would not be a solution. Tariffs will fail to reduce the overall trade deficit and they will severely damage the economy.

49. The tariffs imposed under the April 2 executive order are purportedly based on practices of other countries, including tariffs, non-tariff barriers, currency policy, and value-added taxes. The formula used to determine the tariff rates, however, has no implicit or explicit relation to policies used by other countries and inappropriately applies elasticities from the economic literature.<sup>36</sup> Even if the formula used the appropriate elasticities or attempted to explicitly measure foreign trade barriers, there is no economic reason to believe doing so would reduce the overall U.S. goods trade deficit. But there is economic reason to believe that the tariffs will reduce economic growth and incomes in the U.S.

<sup>32</sup> Exec. Order No. 14257 (Apr. 2, 2025), <https://www.whitehouse.gov/presidential-actions/2025/04/regulating-imports-with-a-reciprocal-tariff-to-rectify-trade-practices-that-contribute-to-large-and-persistent-annual-united-states-goods-trade-deficits/>.

<sup>33</sup> Irwin, *supra* note 11, at 2.

<sup>34</sup> Daniel Griswold & Andreas Freytag, *Balance of Trade, Balance of Power*, Cato Inst. (Apr. 25, 2023), <https://www.cato.org/policy-analysis/balance-trade-balance-power#current-account-deficit-problem>; Mary Amity et al., *Do Import Tariffs Help Reduce Trade Deficits?*, Liberty Str. Econ. (Aug. 13, 2018), <https://libertystreeteconomics.newyorkfed.org/2018/08/do-import-tariffs-help-reduce-trade-deficits/>.

<sup>35</sup> Gary Clyde Hufbauer & Zhiyao (Lucy) Lu, *Free Trade Agreements and Trade Deficits*, Peterson Inst. for Int'l Econ. (Mar. 31, 2016), <https://www.piie.com/blogs/trade-and-investment-policy-watch/free-trade-agreements-and-trade-deficits>.

<sup>36</sup> Corinth & Veuger, *supra* note 22; Cole, *supra* note 22.



50. Tariffs may affect bilateral trade deficits and surpluses, but they do not alter the overall trade deficit. Bilateral trade deficits are not themselves indicative of an economic problem; even in the absence of trade barriers, bilateral trade balances can naturally arise between countries due to different endowments of resources and different comparative advantages and specializations. Nevertheless, tariffs can distort bilateral trading patterns, without altering the overall trade deficit. For example, a high tariff on Chinese imports would be expected to reduce the bilateral trade deficit with China through a combination of reduced imports and increased trans-shipment through third countries, such as Vietnam, leading to higher bilateral trade deficits with those other trading partners. Distorting bilateral trade with tariffs imposes economic costs; both the fixed costs of searching for new suppliers and moving supply chains, and the ongoing efficiency losses from selecting less productive suppliers, with higher tariffs implying larger costs.<sup>37</sup>

#### **D. Tariffs will shrink the U.S. economy**

51. Using the Tax Foundation General Equilibrium Model to simulate the effect of the U.S.-imposed IEEPA tariffs on China, Canada, Mexico, and the rest of the world as of April 18, 2025, indicates the tariffs will reduce U.S. economic output by 0.6 percent in the long-run, equivalent to more than \$178 billion of annual output lost in 2024 dollars, and reduce the labor supply by 546,000 full-time equivalent jobs.<sup>38</sup>

52. The reduction in economic output occurs because tariffs introduce a permanent tax on the U.S. economy, imposing a wedge between incomes that workers and business owners produce and after-tax incomes workers and business owners receive. Permanently lower returns to labor lead to a permanent reduction in both labor supply and the capital stock, reducing total economic output and incomes in the U.S. economy.

53. Workers and business owners will bear the burden of higher tariffs in the form of lower real, after-tax incomes. The Tax Foundation General Equilibrium Model estimates that in

<sup>37</sup> Gene M. Grossman & Elhanan Helpman, *When Tariffs Disturb Global Supply Chains* 23–24 (Nat'l Bureau of Econ. Rsch., Working Paper No. 27722, Aug. 2020), [https://www.nber.org/system/files/working\\_papers/w27722/w27722.pdf](https://www.nber.org/system/files/working_papers/w27722/w27722.pdf).

<sup>38</sup> These figures isolate the impact of the IEEPA tariffs. For a discussion of the data on all 2025 tariffs from which these figures are derived, see York & Durante, *Trump Tariffs*, *supra* note 21.

2025, after-tax incomes will be lower by 0.9 percent on average due to the IEEPA tariffs imposed as of April 19, 2025. In reality, the loss of after-tax income is likely higher. These estimates reflect only the reduction in income due to higher tax costs, and do not include the additional losses due to loss of consumer choice or higher prices for domestic alternatives, so these calculations underestimate the totality of the real economic losses workers and business owners will face.

54. Other models using completely different approaches, data sources, and methodologies likewise estimate that U.S. imposed tariffs will reduce the size of economic output and incomes in the United States.<sup>39</sup> For example, the International Monetary Fund recently downgraded its global growth outlook because of the tariffs imposed through April 2025.<sup>40</sup> Prior to the announcement and imposition of new U.S. tariffs in 2025, the U.S. Congressional Budget Office simulated that a hypothetical 10 percent universal tariff and additional 50 percent tariff on all imports from China would reduce U.S. GDP by 0.6 percent (and by nearly twice as much before accounting for the economic benefits of the assumed reduction in the federal government's budget deficit).<sup>41</sup>

#### **E. Tariffs will effectively be a \$117 billion tax increase by the federal government**

55. If left in place, the country-specific tariffs imposed as of April 18, 2025, would raise \$117 billion in higher tax revenue for the federal government in 2025 and \$1.5 trillion over the 10-year congressional budget period from 2025 through 2034, before accounting for the negative economic feedback.<sup>42</sup> Over the budget window, the tariffs would raise revenues by 0.43 percent of GDP on average, larger than the average of the 1984 Deficit Reduction Act and of the Patient

<sup>39</sup> Erica York, *How Will Trump's Universal and China Tariffs Impact the Economy?*, Tax Found. (Nov. 8, 2024), <https://taxfoundation.org/blog/trump-tariffs-impact-economy/>.

<sup>40</sup> Pierre-Olivier Gourinchas, *The Global Economy Enters a New Era*, Int'l Monetary Fund (Apr. 22, 2025), <https://www.imf.org/en/Blogs/Articles/2025/04/22/the-global-economy-enters-a-new-era#:~:text=Many%20emerging%20market%20economies%20could,effects%20of%20tariffs%20and%20uncertainty.>

<sup>41</sup> CBO Tariffs Letter, *supra* note 20.

<sup>42</sup> These figures isolate the impact of the IEEPA tariffs. For a discussion of the data on all 2025 tariffs from which these figures are derived, see York & Durante, *Trump Tariffs*, *supra* note 21.

Protection and Affordable Health Care Act; Health Care and Education Reconciliation Act of 2010, both revenue-raising laws enacted by Congress.<sup>43</sup>

56. These higher taxes are not being borne by foreign governments. Rather, they are initially paid by persons and businesses in the U.S. importing the goods. As people and businesses respond to the higher prices on imports, the ultimate economic burden may be passed to others in the economy, like final consumers through higher prices, workers through lower wages and fewer employment opportunities, and business owners through lower profits. Foreign businesses and governments will also be harmed, though neither will directly remit the tax to the U.S. government; but fewer sales into the U.S. economy reduce incomes for foreign workers and business owners and tax revenues for foreign governments.

## V. IMPACT OF TARIFFS ON THE CALIFORNIA ECONOMY

### A. Drop in import volumes will negatively affect port workers and related transportation and logistics jobs

57. Ultimately, the burden of higher tariffs will be felt throughout the United States, but some of the first industries to experience the impact will be transportation and logistics workers affected by a drop in trade volumes. In 2024, the U.S. imported \$3.3 trillion of goods in total including \$430 billion from China. California's three customs districts (Los Angeles, San Diego, and San Francisco) accounted for \$564.5 billion of total imports (17 percent of U.S. imports), including \$149 billion from China (35 percent of U.S. imports from China). Across California's three import districts, imports from China accounted for a quarter of all import volume in 2024.<sup>44</sup> Tax Foundation estimates that if the IEEPA tariffs in place as of April 18, 2025, remain in effect, they will reduce U.S. imports nearly 18 percent in 2025, with the most significant drop in percentage and dollar terms occurring from China. One study, based on 2023 data, suggests that

<sup>43</sup> *Id.*

<sup>44</sup> U.S. Int'l Trade Comm'n, U.S. ITC DataWeb, <https://dataweb.usitc.gov/> (search "Summable Measure" for Data to Report, "Customs Value," and full year "2024." Then select "individual Countries," then add "China," and repeat with "Use All Countries." Finally, in "Select Individual Districts," include "Los Angeles, CA," "San Diego, CA," and "San Francisco, CA.").

a 1 percent decline in cargo volume at the Ports of Los Angeles and Long Beach would eliminate more than 2,700 jobs and threaten up to 4,000 more indirect jobs.<sup>45</sup>

**B. U.S. Imposed Tariffs Will Reduce California's Output and Labor Supply**

58. Tariffs will increase production costs, including for technology firms, by raising the price of key inputs like electrical components and computers. The combination of higher costs for inputs and higher costs for consumer goods will reduce business revenues and force either price increases, reduced wages and hiring, less investment, or a combination of all those responses.

59. California accounted for 14 percent of U.S. GDP in 2024 (\$4.1 trillion of \$29.2 trillion), suggesting that the national loss of U.S. GDP of more than \$178 billion estimated by the Tax Foundation would represent a \$25 billion loss to California's economy in 2024 terms. California accounted for nearly 12 percent of total U.S. employment in 2023, suggesting that labor supply losses due to the U.S. imposed tariffs would represent a job loss of more than 64,000 for California's economy as estimated by the Tax Foundation.

**C. Higher Prices Will Increase Costs for the State of California**

60. Tariffs will increase prices for goods purchased by the state of California, including office supplies and computer equipment.

61. Counsel for Plaintiffs provided me with the data below, which they assert represents two products manufactured outside the United States that the California Department of Public Health (CDPH) purchased prior to February 4, 2025. They asked me to simulate potential increased costs to these goods due to tariffs.

//

//

<sup>45</sup> John Martin, *The Dire Economic Consequences of Continued Market Share Declines at the Ports of Los Angeles and Long Beach*, Pac. Mar. Ass'n (2024), <https://www.pmanet.org/wp-content/uploads/2025/03/Executive-Summary-John-Martin-2024.pdf>.

Department	Product	Country of Origin	Unit Price (\$)	Total Cost FY 24-25 (\$) (est.)
CDPH – Information Technology Services Division (ITSD)	HP Series 7 Pro 27 Inch QHD Monitor	China	403.73	201,865.00
CDPH – ITSD	HP S5 Pro 527pm QHD USB-C Conference Monitor	China	458.25	229,125.00

62. Computer equipment from China is currently subject to a 20 percent tariff under the IEEPA border security and fentanyl tariffs, and some computer equipment, including monitors, is subject to the 125 percent tariff on China and 10 percent global tariff.<sup>46</sup> Research from the Consumer Technology Association suggests that all the potential tariffs on monitors (including IEEPA tariffs as well as potential sectoral specific tariffs) could increase monitor prices by as much as 32 percent and laptop and tablet prices by as much as 34 percent.<sup>47</sup>

63. Applying these projected increases to the State's purchase of just two types of monitors indicates tariffs could increase costs from \$430,990 to \$568,906.

#### **D. Foreign Country and Business Responses Threaten Key Sectors in California**

64. One industry likely to be caught in the crossfire of U.S. imposed tariffs is agriculture. For example, after countries, including China, retaliated to U.S. imposed tariffs in 2018 and 2019, California experienced the 8<sup>th</sup> largest agricultural export losses from retaliatory tariffs across the states, totaling \$683 million. The losses included \$374 million for processed and fresh fruits,

<sup>46</sup> *How the Proposed Trump Tariffs Increase Prices for Consumer Technology Products (May 2025)*, Consumer Tech. Ass'n (May 2025), <https://www.cta.tech/research/how-the-proposed-trump-tariffs-increase-prices-for-consumer-technology-products-may-2025/>.

<sup>47</sup> *Id.*

1 \$199 million for tree nuts, and \$68 million for dairy.<sup>48</sup> Losses now could be significantly higher  
 2 if the magnitude of retaliation is larger than in 2018 and 2019. For example, economists from the  
 3 University of California, Davis estimated that in-kind retaliation to a U.S. 10 percent global tariff  
 4 and 60 percent China tariff could shrink California's agricultural exports by \$5.3 trillion to \$6.7  
 5 trillion.<sup>49</sup>

6 65. More broadly, more than 850,000 California jobs are supported by foreign direct  
 7 investment into the state by foreign multinational enterprises.<sup>50</sup> Broad tariffs on all imports are  
 8 likely to discourage investment by raising production costs in the United States and by reducing  
 9 the reliability of the United States as a trading partner. Rather than encouraging additional net  
 10 inward investment, a broadly higher tariff regime could discourage it, threatening jobs supported  
 11 by foreign investment.

## 12 CONCLUSION

13 66. The United States has consistently run trade deficits since its last trade surplus in  
 14 1975. Higher tariffs will reduce real, after-tax profits for U.S. business owners and wages for  
 15 U.S. workers, without fundamentally changing the overall balance of trade and without boosting  
 16 U.S. production. Retaliation will further compound the harm, reducing sales by U.S. exporters,  
 17 which further lowers U.S. production and income. While the economic losses from tariffs will be  
 18 felt across the entire U.S. economy, California will experience an outsized share of its losses due  
 19 to its larger economy and workforce as well as exposure to trade.

20 //

21 //

22  
23  
24 <sup>48</sup> Stephen Morgan et al., *The Economic Impact of Retaliatory Tariffs on U.S. Agriculture*, Econ.  
 25 Rsch. Serv. U.S. Dep't of Agric. (Jan. 2022) at 20, [https://ers.usda.gov/sites/default/files/  
 26 laserfiche/publications/102980/ERR-304.pdf?v=96355](https://ers.usda.gov/sites/default/files/laserfiche/publications/102980/ERR-304.pdf?v=96355).

27 <sup>49</sup> Colin A. Carter et al., *Further Trade Wars Will Harm California Agriculture*, 28 Gianni Found.  
 28 of Agric. Econ., Univ. of Calif. 5, 6 (Sept./Oct. 2024), [https://s.giannini.ucop.edu  
 uploads/pub/2024/11/06/v28n1\\_2.pdf](https://s.giannini.ucop.edu/uploads/pub/2024/11/06/v28n1_2.pdf).

<sup>50</sup> *Foreign Direct Investment in the United States (FDIUS)*, Bureau of Econ. Analysis,  
<https://www.bea.gov/international/di1fdiop> (last updated Nov. 15, 2024) (data from  
 "Employment by State and Country 2007-2022).

1 I declare under penalty of perjury under the laws of the United States of America that the  
2 foregoing is true and correct.

3 Executed on May 12, 2025 at Manhattan, Kansas.  
4

5   
6 Erica York